



AUGUST 15, 1953



1026 17th STREET, N. W., WASHINGTON 6, D. C.

## Congressional Roundup

First Session, 83rd Congress, Jan. 3-Aug. 3, 1953

**N**EARLY all bills classed as "must" legislation for the first session were passed. Much unfinished business remains, however, including the debt ceiling question which delayed adjournment slightly and may necessitate a special session in September.

### FOREIGN AFFAIRS

#### Trade

Extension of the Reciprocal Trade Agreements Act (H. R. 5495), held up in conference for a month, was one of the last things Congress acted upon. The bill extends the Act for a year while a 17-member Commission, to be appointed by the President and Congress, studies U.S. foreign economic policy. The bill keeps membership of the Tariff Commission at six instead of increasing it to seven as the House had proposed.

A second bill (Rep. Simpson, R., Pa., sponsor) to amend the Trade Agreements Act—limiting imports of petroleum, residual fuel oil, lead and zinc—was sent back to Committee by a roll call vote. (This had been a part of the original Trade Agreements Act extension bill.) A House majority felt that no further restrictions should be placed on imports pending the foreign economic policy report.

The Customs Simplification Bill (H. R. 5877) was passed by both houses in July after elimination of proposed controversial changes for determining value of imports. The bill is expected to save time, money and complications in administration of the customs laws.

#### Mutual Security

An authorization of \$5,157,232,500 for the Mutual Security Program was passed, a figure \$317 million below the President's request for funds. The appropriation to carry out the program, however, calls for \$4,531,507,000 in new funds. The gap of \$625,731,500 between the authorization and the appropriation is so great that there is some possibility that the President will ask Congress for supplementary funds in the next session. The sum of \$2,120,915,390 in unobligated funds was also appropriated for the program.

The Administration had requested a total of \$12.7 million for the U.N. Technical Assistance Program for 1954 and a supplemental appropriation of \$4.5 million for 1953, because Congress last year had failed

to appropriate the full amount authorized. The final appropriations for U.N. Technical Assistance were \$8.5 million to be spent in 1953 or 1954. This is a cut of approximately \$9.7 million. To keep the program for U.N. technical assistance at its present level, supplementary U.S. funds will be required.

The U.S. contribution to general expenses of the U.N., contained in the State Department appropriation, is 35.12% of the U.N. budget, as had been requested. The bill carried a rider expressing the sense of Congress that Communist China should not be admitted to the U.N.

#### U.N. Flag

The President's statement made when he signed S. 694, which seemed to place restrictions on the display of the U.N. flag, makes it clear that the intent of Congress was "simply and correctly to assure within the U.S. and its possessions" that "the American flag is to be given its traditional place of honor and prominence when flown with other flags."

#### Treaties

The Bricker amendment to the Constitution, S. J. Res. 1, to limit the President's treaty making powers, is still pending in the Senate. A compromise wording by Senator Knowland (R., Calif.) and White House advisors was unacceptable to Sen. Bricker (R., Ohio). Further action may be taken next session.

The Senate ratified changes in the administration of NATO, aimed at simplifying and strengthening the organizational structure of the alliance. One such protocol, passed after considerable controversy, gives NATO governments jurisdiction over troops of other countries with respect to off-duty criminal offenses in the host nation.

#### Relief Measures

The President was authorized to distribute \$100,000,000 of surplus farm commodities as relief to "friendly" countries (S. 2249); to send one million tons of wheat to Pakistan (S. 2112, H. R. 5659); and to allot \$200,000,000 for relief and rehabilitation in Korea.

#### Immigration

The President early in the term asked Congress to admit, in the next two years, 240,000 refugees,

escapees from Iron Curtain countries, and some nationals from overpopulated areas of Europe. After long debate and delaying action in committees, a bill (H. R. 6481) to admit 214,000 refugees, escapees and some nationals eligible under the Immigration and Nationality Act as relatives of American citizens was passed. The program covers three years.

### Wheat

The International Wheat Agreement was renewed for three years, following ratification of a treaty agreement by the Senate. The agreement is designed to distribute among 41 importing nations about 595 million bushels of wheat annually exported by the U.S., Canada, Australia and France. Congress gave the Government authority to pay a subsidy of about 40 cents a bushel to make up the difference between the domestic support price and the new maximum.

## DOMESTIC

### Appropriations

After the usual last minute log-jam on appropriations bills, a grand total of \$54.4 billion was finally appropriated. This total includes supplemental and deficiency appropriations for the fiscal year 1953 as well as all appropriations for Federal Government operations during the 1954 fiscal year which began on July 1.\*

According to the House Appropriations Committee Chairman, John Taber (R., N. Y.), this total represents a \$14 billion cut in the \$68 billion estimates submitted by the Truman Administration in January, and a \$4.6 billion reduction over the total estimates which were submitted intermittently during the spring and summer by the Eisenhower Administration.

The final figure on budget revisions will not be available until the President's Midyear Review of the Budget is released in the latter part of August.

In contrast to its usual role as generous "restorer" of funds slashed by the House, the Senate added less than a billion dollars to House totals.

The appropriations cuts will not immediately be apparent in reduced Federal spending, since some appropriations from previous years will be paid for during this year, while some of the new appropriations will not be spent until future years.

### Taxes

The Administration waged a continuing battle all through the session to maintain revenue sources while other legislators tried to bring immediate tax relief to their constituents. The first bill introduced, H. R. 1, would have cut individual income taxes 11% June 30. It was favorably reported by the House Ways and Means Committee but was held in the Rules Committee and never came to the floor for a vote. The President's request that the excess profits tax (H. R. 5898) be extended for six months, until Dec. 31, 1953, was passed by both houses. A bill to repeal the 20% tax on motion picture theater admissions was passed by both houses, but was not signed by the President. Congress failed to act on two other Presidential requests in this field: cancellation of automatic reductions in regular corporation and excise taxes due to

expire next April 1, and a freeze of Social Security payroll taxes at 1½% each for employers and employees, due to rise to 2% each next Jan. Hearings were held by the Ways and Means Committee on the need for a complete overhauling of the U.S. tax structure. This is expected to be a major concern of the next session.

### Reorganization

Early extension of the President's authority to make reorganizations in the Executive Department has put into effect ten reorganization plans, including the establishment of the Department of Health, Education and Welfare and four affecting the State Department and foreign information service.

### Budgetary Reforms

The Senate passed a bill, S. 833, creating a Joint Committee on the Budget. The companion House bill did not receive consideration. The Senate passed S. Con. Res. 8 (See VOTER 3/15/53), the Consolidated Appropriations proposal sponsored by Sen. Byrd (D., Va.), but the House failed to act. Hearings on several item veto proposals were held by a subcommittee of the House Judiciary Committee.

### Election Laws

A subcommittee of the Senate Judiciary Committee held two hearings on several proposals for changing the method of nominating and electing the President and Vice President. No action was taken on bills to lower the voting age, or on S. 2081, which would rewrite the laws controlling elections and set a revised ceiling on spending in national campaigns.

### Other Legislation

**DISARMAMENT RESOLUTION:** (S. Res. 150, H. Con. Res. 46)—Reaffirming the nation's desire for world peace and disarmament. Passed both houses.

**D. C. HOME RULE:** (S. 999)—Senate District Committee reported this bill favorably. No action.

**EQUAL RIGHTS AMENDMENT:** (S. J. Res. 49)—Passed Senate but with an amendment providing that legislation protecting women not be invalidated thereby. No action in House.

**HAWAII STATEHOOD:** (H. R. 3575)—Passed by House; Senate version (S. 49) held in Senate Committee.

**HOUSING:** Construction of 20,000 housing units was authorized, but no new loan or annual Federal contribution contracts allowed.

**FOOD AND DRUG:** Limited authority was restored to the Food and Drug Administration for the protection of public health and welfare by inspection of factories. However, the appropriation for the agency was cut \$448,000 below the amount requested in the President's budget, and it has been announced that the inspection service must be conducted on a limited basis.

## SEPTEMBER SPECIAL!

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\* Permanent appropriations not requiring annual approval by Congress, such as interest on the public debt, are not included in the appropriations total. This figure would add \$10.7 billion to the total figure above.

# Oil—and Troubled Waters

**D**EBATE over the role of the Federal Government in controlling our natural resources has sharpened in the past few months. The Administration has indicated its interest in reversing the trend toward greater Federal responsibility for directing the development of land, mineral and water supplies. In a special message to Congress on July 31, the President underlined "the necessity for a cooperative partnership of the States and local communities, private citizens, and the Federal Government in carrying out a sound natural resources program."

With certain striking exceptions, many State government officials have expressed firm support of decentralization of resource controls. Private interests, wishing to expand their control of these resources, are in general agreement with this trend. On the opposing side are the conservation-minded groups and individuals.

## "Surplus" Becomes "Deficit"

Why is the development of our resources so important? The answer is to be found on the balance sheet of our supply of minerals and fuel and timber and the demand for them. Ex-President Truman's Materials Policy Commission reported, in 1952, that "we had completed our slow transition from a raw materials surplus Nation to a raw materials deficit Nation." A more recent private study concludes: "We are mining our fields, forests, and water resources at a suicidal rate."

This problem is dramatized in the controversy over whether the States or the Federal Government should control and benefit from oil reserves in submerged offshore lands. The rapid depletion of our known oil supply makes the vast potential of underwater oil especially significant.

The entire offshore area—erroneously called "tidelands"—consists of "tidelands," which extend from the coast to the low water mark, and the continental shelf. The shelf, which extends as far as 125 miles out from land, has a marginal area. Here the dispute is centered. For Texas, Florida, and possibly Louisiana it extends ten and a half miles out, because of technicalities of their admission to the U.S.; it is three miles for other coastal states. Federal jurisdiction over the outer continental shelf has not been debated.

The combined offshore yield of the three oil-producing coastal states—California, Texas, and Louisiana—is over 100,000 barrels daily. Their revenues, plus those from Florida's gulfland leases, have come to over \$325,000,000. Most of this money is impounded pending court decision.

Ex-President Truman twice vetoed legislation granting coastal states the right to offshore resources. The Supreme Court ruled in three cases that the U.S. had paramount rights.

Advocates of Federal controls believe the funds should benefit the whole nation. They also hold that national direction would assure coordinated development and better control for national emergencies. This group points out that inland states could insist on receiving revenues from resources within their borders if the principle advanced by the supporters of State ownership is accepted.

The opposing group maintains that the 20 coastal states should be entitled to the revenues from areas traditionally considered theirs.

The Submerged Land Act, signed by President

Eisenhower on May 22, gives the 20 states title to underwater resources up to the outer limit of their historic boundaries. The constitutionality of this Act was challenged in a suit filed by the Attorney General of Arkansas early in July.

Separate legislation for the outer continental shelf, places it under the jurisdiction of the U.S. Royalties of 5% for sulphur and 12.5% for gas and oil will go to the general funds of the Treasury.

## Water Problems

Philosophies also clash in regard to the development of water resources. The diversity of interests is great—flood control, irrigation, soil enrichment, power development, navigation, water pollution control—and all are important to national growth. The issue of Federal vs. State vs. private development is compounded by duplication, partial jurisdiction and rivalry, in the score of Federal agencies responsible for administration of these problems. The Bureau of Reclamation of the Department of the Interior has been responsible for the construction of multiple purpose water projects directed primarily toward electric power and irrigation; the U.S. Army Corps of Engineers builds similar projects, chiefly for flood control and navigation. Neither agency has jurisdiction over watershed land where erosion may readily occur with improper planning. These and some irrigation functions belong to the Department of Agriculture. Water storage needs for irrigation, flood control and power production vary with divided responsibility producing patchwork planning and waste.

During the last Administration three separate study groups—the Hoover Commission (1949), the President's Water Resources Policy Commission (1950), and the President's Materials Policy Commission (1952)—called for long range national and regional planning based on coordinated plans for entire river basins.

President Eisenhower pointed to the need for administrative reform in his recent natural resources statement. Two new Commissions—the Commission on Reorganization of the Executive Branch of the Government headed by ex-President Hoover, and the Commission on Intergovernmental Relations—will review many phases of this problem.

## Power Problems

A key issue in water development policies is the role of the private power company in developing and transmitting hydroelectric power. Since the thirties, Federal Government policy has encouraged the sale of power produced at public dams and carried through public transmission lines. Municipalities and rural electrification cooperatives have paid wholesale rates.

Secretary of Interior McKay has described the Federal power program as he inherited it as "a completely federalized generating system, a Government monopoly in large areas of the United States." He termed wholesale rates "out of order" when "used as an implement for the Federal control of power rates and management."

This year's appropriations for the Interior Department and Army civilian functions reflect the Government's growing interest in private power expansion. Funds for Federal development of hydroelectric power and especially transmission lines have been cut. The Administration requested slower construction in four



of the six basic dams planned earlier for the Missouri River basin. Congress reduced the appropriations for several other Missouri Basin projects. Appropriations for the Southwestern Power Administration do not allow money for implementing existing contracts for generation and transmission of power with rural electrification cooperatives in Missouri and Oklahoma. These groups now fear bankruptcy.

This issue is highlighted in the controversy which has developed over whether Hell's Canyon—on the border of Oregon and Idaho—should be the site of three small dams planned by the Idaho Power Company or of one large Bureau of Reclamation dam. The comprehensive river basin development plan established for the Columbia River and its tributaries by the Engineer Corps during earlier Administrations provides for an integrated series of major dams, with the Bonneville Power Administration managing transmission and sale of the power. Secretary McKay has removed previous objections of his Department to the licensing of building by private utilities, holding that the cost of the dam is too great for the Federal Government to handle immediately and asserting that the power facilities promised by private groups are comparable.

Arguments on the other side are that (1) Court battles will cause substantial delay for private companies; (2) higher rates will be charged by private concerns, and (3) the advantages of the multiple purpose regional plan will be lost.

New York State is involved in a three-cornered policy debate over similar points. The U.S. House of Representatives has passed a bill granting authority to five private power companies in New York to apply for the use of power from the Niagara River. Governor Dewey of New York has testified against the bill, urging that New York State be given authority to develop Niagara power. The third approach calls for Federal control or tighter State control than the New York State government has proposed.

The trend away from construction of large-scale power installations was underscored in a successful move made by the House to provide \$5,000,000 for flood control in the Department of Agriculture appropriation. An experimental program was authorized to provide investigation of soil conservation and flood prevention in 50 water-shed areas.

### Land Use

Other conservation issues are connected with Federal land policy. Unsuccessful attempts have been made to enlarge the right of stockmen to use Federal land for grazing their cattle. Legislation limiting timber rights on mining claim stakes is still under consideration. Its supporters maintain that many claims have been staked by people who were more interested in timber or recreation sites than in mining.

The serious drought in the Southwest has raised the question of continuing need for extensive conservation research in land use and management.

In coming months many government reports on our natural resources will appear. In addition, a Mid-Century Conference on Resources for the Future sponsored by a group of private organizations and individuals with Lewis Douglas as chairman, will be held in December.

Because new directions for developing our natural resources are being charted, these studies and the action taken to implement them deserve especially close scrutiny.



## From the PRESIDENT'S Desk

DEAR MEMBER:

IT is not possible to issue a VOTER without recognizing the fact that a truce is in effect in Korea. We cannot at this time shed helpful light on the truce. But we can point out that with the cessation of military operations, political problems of the most critical and complex nature have come to the fore. League members, it seems to me, must watch with great vigilance the development of the negotiations and their impact on American policy and public opinion. Perhaps we can help to promote a balance between the inevitable extremes of view which will arise and a public consciousness of the fundamental principles upon which U.S. foreign policy must be based in this mid-20th century. We cannot ignore this whole area of governmental concern as we embark upon a new national program-making period.

It seems to me that we in the League should all take a fresh and entirely realistic look at the world we are living in as we start to think about a new Program. We should sharpen our focus again on the purpose of the League of Women Voters. In our thinking of future Program we should join the two—the great problems facing our government (both international and domestic) and the development of responsible citizens.

We often say the Program is the tool with which the League develops informed and active participation of citizens in government. But we must not forget the other equally important function of the Program: in the process of training citizens, this tool must work toward a worthwhile goal.

There is no question but that the League wields an increasing influence in its chosen fields of operation. It is therefore of growing importance that in selecting our limited Current Agenda we place the weight of the League behind those public issues on which the very fate of the nation may depend. This is a serious responsibility upon all League members and not a single one of us is free of it in this approaching time of decision.

*Percy Maxim Lee*

### DEADLINES FOR 1954 CONVENTION

**August 26, 1953:** National President sends first call for Convention to local, state and territorial Leagues (8 months before Convention—April 26-30, 1954).

**October 26, 1953:** (1) Proposed changes in By-laws due from Leagues.

(2) Proposed Platform changes due from Leagues.

(3) Deadline for suggestions for nominations for national Officers and Directors, to be sent to Chairman of the Nominating Committee.

(6 months before Convention)

**November 26, 1953:** Current Agenda recommendations due from Leagues (5 months before Convention).

**April 5, 1954:** Recommendations for changes in Proposed Current Agenda due from Leagues (3 weeks before Convention).

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